

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: EQUITABLE RESOURCES)	DIVISION OF
EXPLORATION)	GAS AND OIL
)	DOCKET NO.
RELIEF SOUGHT: EXCEPTION TO)	VGOB-93-0622-0382
STATEWIDE SPACING)	
LIMITATIONS PRESCRIBED)	
BY VIRGINIA CODE ANN.)	
§ 45.1-361.17(A)(2))	
)	
LEGAL DESCRIPTION:)	
)	
WELL NUMBER V-2697)	
OLINGER PVRC TRACT NO. 38)	
APPALACHIA QUADRANGLE)	
RICHMOND MAGISTERIAL DISTRICT)	
WISE COUNTY, VIRGINIA)	

REPORT OF THE BOARD

FINDINGS AND ORDER

1. Hearing Date and Place: This cause came on for hearing before the Virginia Gas and Oil Board (hereinafter "Board") at 9:00 a.m. on June 22, 1993, Ratliff Hall, Southwest Virginia 4-H Center, Abingdon, Virginia.

2. Appearances: Douglas S. Tweed and James Kaiser of the firm Hunter, Smith and Davis, appeared for the Applicant, and Sandra B. Riggs, Assistant Attorney General, was present to advise the Board.

3. Notice and Jurisdiction: The Board finds that it has jurisdiction over the subject matter. The Board also finds that the applicant has exercised due diligence to locate and provide notice to all persons/companies entitled to notice of this proceeding.

4. Relief Requested: Applicant requests an exception to statewide spacing requirements set forth in Section 45.1-361.17 of the Code of Virginia for EREX Well Number V-2697 for the production of conventional gas from the surface to total depth drilled of 5900 feet and all areas in between, including, but not limited to the Devonian Shales; Berea, Sunbury, Weir, Big Lime, Ravencliff and Maxon formations, all in accordance with Applicant's well work permit. The Applicant requests the Board's consent to drill Well Number V-2697 closer than 2640 feet to existing EREX Well Number V-2442 and EREX proposed Well Number V-2696, all as depicted on the plat attached as Exhibit A.

5. Amendment: None.

6. Reasons Relief Should be Granted: Evidence presented on behalf of the Applicant shows, and the Board finds, that based on the deposition of the common sources of supply anticipated between surface and total depth projected to be drilled, the proposed location exception represents the optimum location to recover commercially productive hydrocarbons underlying the drilling and spacing unit.

A qualified landsman testified that the location exception was necessary due to environmental constraints, accommodation of other mineral interests and effective land management practices.

A qualified petroleum geologist testified that the granting of the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of hydrocarbons underlying the drilling and spacing unit.

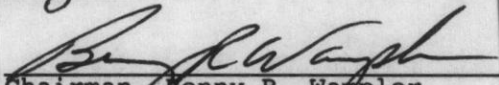
A qualified mining engineer testified that the granting of the location exception was at the insistence of the coal owner/lessor, necessary for mine safety in the active works in the Dorchester seam, and, in order to accommodate present as well as future mine operations. The mining engineer also testified that the location exception was in the best interest of preventing waste, protecting correlative rights and maximizing recovery of hydrocarbons underlying the drilling and spacing unit.

7. Relief Granted: The requested relief in this cause be and hereby is granted allowing the applicant to permit and drill Well Number V-2697 2321.55 feet from existing EREX Well Number V-2442, and 2450.72 feet from proposed EREX Well Number V-2696, as depicted on Exhibit A.

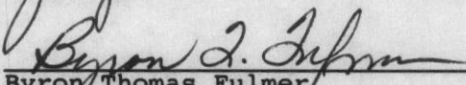
8. Findings: That the well location exception, in accordance with the foregoing, is necessary to prevent waste, protect correlative rights and to generally effect the purposes of the Virginia Gas and Oil Act.

9. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 8th day of July, 1993, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

DONE AND PERFORMED this 13th day of July, 1993, by Order of this Board.


Byron Thomas Fulmer
Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

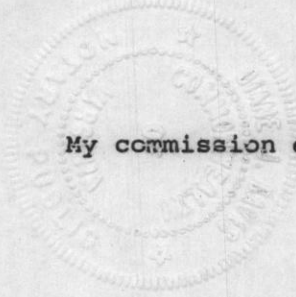
Acknowledged on this 8th day of July, 1993, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Susan G. Garrett
Notary Public

My commission expires 7/31/94

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 13th day of July, 1993, personally before me a notary public in and for the Commonwealth of Virginia, appeared Byron T. Fulmer, being duly sworn did depose and say that he is Principle Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Diane J. Davis
Notary Public

My commission expires 9/30/97

VIRGINIA

VIRGINIA GAS AND OIL BOARD
DEPARTMENT OF MINES, MINERALS AND ENERGY
ABINGDON, VIRGINIA

DOCKET NUMBER: VGOB-93/06/22-0382
APPLICANT: Equitable Resources Exploration
RELIEF SOUGHT: LOCATION EXCEPTION
Va. Code Ann. § 45.1-361.17
WELL NO: V-2697
LEGAL DESCRIPTION: Olinger, PVRC Tract No. 38
Appalachia Quadrangle
Richmond District
Wise County, VA

NOTICE OF HEARING

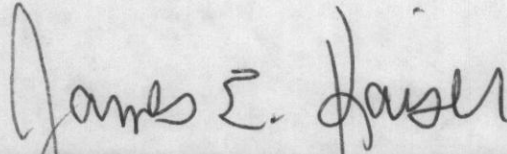
TO: Penn Virginia Resources Corporation
Attn: Mr. Keith D. Horton, Vice President-Coal
P.O. Box 386
Duffield, VA 24244

Westmoreland Coal Company
Attn: Harry Meador, III, Chief Engineer, East Group
Drawer A and B
Big Stone Gap, VA 24219

Westmoreland Coal Company
Attn: Mike Willis, Chief Engineer, Looney Creek West Group
Drawer A and B
Big Stone Gap, VA 24219

Notice is hereby given that the applicant in this cause is requesting the Virginia Gas and Oil Board to authorize the drilling of the proposed well to produce formations from surface to total depth drilled and to designate applicant as operator per the attached application.

Notice is further given that this matter is set for hearing before the Virginia Gas and Oil Board on the 15th day of June, 1993, at 9:00 o'clock at the 4-H Center, Route 609, Hillman Highway, Abingdon, Virginia at which time and place all interested persons may appear and be heard.

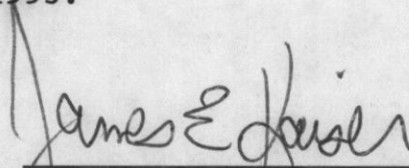


James E. Kaiser
Hunter, Smith & Davis
of Counsel for Equitable
Resources Exploration
1212 N. Eastman Road
Kingsport, TN 37660

CERTIFICATE OF SERVICE

I, James E. Kaiser, of counsel for Equitable Resources Exploration, hereby certify that I have this day caused the foregoing notice and application to be served upon the parties listed herein, at their address, by certified mail, return receipt requested.

Dated this 17th day of May, 1993.



James E. Kaiser
Hunter, Smith & Davis